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Via Electronic Filing

April 12, 2016

Marlene H. Dortch  
Secretary  
Federal Communications Commission  
445 12th Street SW  
Washington, DC 20554

Re: **Notice of Ex Parte Communication: Amendment of the Commission's  
Rules with Regard to Commercial Operations in the 3550-3650 MHz  
Band; GN Docket No. 12-354**

Dear Ms. Dortch:

On April 11, 2016, Joan Marsh, Michael Goggin, and Jeanine Poltronieri met with Brendan Carr of Commissioner Pai's office.

In the meeting, Ms. Marsh discussed the important role that the 3.5 GHz band and the availability of Priority Access licenses can play in facilitating broadband. More specifically, Ms. Marsh discussed CTIA's Petition for Reconsideration of the 3.5 GHz licensing framework and supported the request for changes necessary to increase interest and investment in the band, including modification to the proposed PAL licensing terms and renewal rules and modification of the "N-1" auction process.

In addition, AT&T posted the attached blog regarding the same proceeding.

Pursuant to the Commission's rules, this notice is being filed in the above-referenced docket for inclusion in the public record. Please contact me should you have any questions.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Stacey Black", written over a light blue rectangular background.

Stacey Black  
Assistant Vice President  
Federal Regulatory  
AT&T Services, Inc.

Attachment

Cc: Brendan Carr



## Reaching a Sound 3.5 GHz Framework

Posted by: [Joan Marsh](#) on April 11, 2016 at 11:44 am

We've been watching with interest as a Further Order on the [3.5 GHz band plan](#) is being considered by the FCC's 8th floor. The Order proposes to preserve a Priority Access License, or PALs, scheme that has been broadly rejected by almost everyone who had advocated for the PALs approach. Given this opposition, it's hard to see why the Commission remains committed to it. "If you build it they will come" may be a slogan that works with magical baseball fields, but it's not going to be an effective approach here.

It's not hard to see why wireless operators are [unenthusiastic](#).

First, it's far from certain that a bidder will be able to obtain a rational PALs footprint at auction. The Commission has concluded that, to ensure auction competition, it will require multiple bidders in each license area and auction one less PAL than the total number of PALs applied for in a given census tract. This means that if only one carrier is interested in PALs in a given license area, zero PALs will be available. Would-be PAL licensees could therefore simply find themselves locked out from the start in many license areas. And, as many commentators have pointed out, the N-1 requirement will effectively act to reduce the number of PALs available over time, systematically phasing out PALs with each subsequent auction. This alone is probably sufficient to discourage meaningful interest.

But the limitations go even further. PAL licenses will come with a ridiculously short three-year license term with no mechanism for renewal. Given the work necessary to develop a new spectrum band, three years to complete equipment development and deployment in a new band is completely inadequate. And the short license term – particularly when coupled with no expectation that the Commission will renew those licenses – risks stranded effort and investment.

Taken together these limitations effectively neuter the PAL framework before the Order is even finalized. And these challenges are only exacerbated by the OOB/power limits and the proposed PAL boundary protection rules that CTIA and the carriers have argued will further limit use and thus interest in the band.

Some might not view a neutered PAL framework as not such a bad result. If the PAL structure fails – or there is inadequate interest in the licenses to create a competitive auction – then the spectrum will continue to be available for use on a GAA, or general authorized access basis, but without the need to share with PAL users. But this defeats the very purpose of the goal to experiment with various sharing models in this band. There is plenty of real estate in the band to support both general and priority access licenses. A better approach would accommodate a rational priority access framework and then let the market define which sharing model or models are preferred.

And the bias against an effective PALs structure will have impact. Wireless operators seeking to provide new QoS-driven services in the band will be disproportionately impacted, as will prospective users in rural areas, where demand may be even more limited but where there is a clear need for the types of high-quality services that a PAL licensee can provide. In addition, the development of a 3.5 GHz ecosystem will likely be hampered if potential PAL users are discouraged from participation in the band,



particularly as the same equipment will likely be used for both general access and PAL use. Active PAL participation can only enhance development and deployment efforts.

Probably even more troubling is the fact that some now look at this newly-minted sharing framework – which is still totally unproven from a business, technical and data security perspective – as a template for other bands, including the high GHz bands being considered as suitable for 5G use. Many have specifically advocated that the 3.5 GHz rules be adopted for 28 GHz or 37-39 GHz, a position which most wireless operators also oppose.

CTIA and wireless operators have called for the Commission to reconsider the ill-suited PALs framework and other rules proposed for the band. Good spectrum stewardship calls for revisiting the question of whether the proposed PALs framework will fulfill its intended purposes before the Order is finalized – and before the opportunity is lost.

<http://www.attpublicpolicy.com/wireless/reaching-a-sound-3-5-ghz-framework/>